

REPORT OF THE FINANCE COMMITTEE

MARCH 2, 2016

A meeting of the Finance Committee was held on Wednesday, March 2, 2016, at 7:00 p.m. in the Aldermanic Chamber.

Mayor Jim Donchess, Chair, presided.

Members of the Committee present: Alderman-at-Large Mark S. Cookson, Vice Chair
Alderman-at-Large Lori Wilshire
Alderman-at-Large Michael B. O'Brien
Alderman Benjamin M. Clemons
Alderman June M. Caron
Alderman Ken Siegel

Also in Attendance: Mr. John L. Griffin, CFO
Mr. Dan Kookan, Purchasing Manager

Mayor Donchess

We have had some technical difficulties and the sound was not on for the first five minutes of this meeting. To recap what has happened we took the roll call and we accepted a communication from John L. Griffin, CFO, regarding the audit prepared by Melanson Heath.

PUBLIC COMMENT - None

COMMUNICATIONS

MOTION BY ALDERMAN SIEGEL TO TAKE FROM THE TABLE THE COMMUNICATION REGARDING THE MELANSON HEATH PRESENTATION MOTION CARRIED

From: John L. Griffin, CFO/Comptroller
Re: Melanson Heath Presentation
• Tabled 2/17/16

MOTION BY ALDERMAN SIEGEL TO ACCEPT AND PLACE ON FILE

Mr. Scott McIntire, Shareholder, Melanson Heath & Company, PC

I am one of the principals responsible for the audit here in Nashua and the gentleman to my left is Mr. Ed Boyd who is one of our audit managers who manages the day-to-day execution of our audit of your financial statements. We are here to give you a quick walk through of not only the financial statements but even more importantly than that, an overview of how our audit went because we do think that is perhaps the most important communication we can make to you. We provided you with a governance letter which in essence tells you really what I am going to orally communicate tonight which is essentially how the audit went. I am really pleased to be able to report to you that our audit of your financial statements for the year ended June 30, 2015, went very well and in essence what that means is we found the books and records to be in good working order. The key reconciliations, the cash, receivables, long-term debts and accounts payable; that those key balance sheet accounts were reconciled on a regular and timely basis and as a result of that and of our audit procedures we did not need to propose any significant audit entries. The numbers that you see here in your financial statements are directly traceable back to the books and records of the city and they get uploaded

through a system and inputted into this comprehensive annual financial report. Each one of these numbers can be drilled down into and you can actually see the specific general ledger of accounts from your financial management system. A couple of other quick things in the governance letter and again they are required communications so I need to take a moment to relay them to you. There were no disagreements in how to apply generally accepted accounting principles; those are the rules that you use to complete your accounting and financial reporting. In terms of accounting estimates, there were definitely a couple of significant estimates in these financial statements and one I suspect will get a fair amount of conversation tonight. The two most significant estimates in there are the city's net GAAP obligation and the city's net pension liability. East of those are actuary determined so there are certain actuarial standards that go into and they are professionally calculated and they are now required to be presented in your long-term prospective financial statements. With that overview, I would like to start with our opinion of your financial statements which is on pages 15-17. Everything else in this document is directly traceable back to the books and records here in Nashua. In summary it says that after following the various audit standards that we did, in our opinion, your financial statements are totally in accordance with generally accepted accounting principles for local governmental entities here in the United States of America which is no different than prior year but certainly a key highlight and a key take away from the audit. Following that on pages 18-32 are your management discussion and analysis. It's a great resource to go back to at a later point in time to understand why certain key account balances change. I'm going to talk orally about some of those and that's why I think the MD&A is a great resource to go back to at a later point in time. That brings us to page 33 and that's where I'll start looking at some of the key accounts on the balance sheets and the operating statements or the income statement, although that's really not a term that used in the governmental financial world. Before I do that, there are two very distinct financial statements in here and that's the model that you folks are required to follow by the GASB or the Governmental Accounting Standards Board. One model is the long-term perspective financial statements and that begins on page 33. The second model is what I would refer to as the short-term perspective which begins on page 36. I learned a long time ago that when I say there is a long-term perspective and a short-term perspective that I need to follow-up by saying that it's not as if the city has two sets of books, it's just a long-term perspective way of looking at those with certain accrual-based entries associated with them and in the short-term basis financial statement are not quite a cash basis but quite similar; there are more definitions in the notes to the financial statement should you choose. The long-term perspectives again, beginning on page 33, a significant portion of any exit communication that I have had with my audit clients for the year ending June 30, 2015, have focused on long-term perspective financial statements. That's because for this year end, June 30, 2015, it is the first year that you and all of the cities and towns in the state and throughout the country were required to implement a new accounting standard called GASB 68. Essentially this standard required that for local governments to reach out to...you are contributing employer to the New Hampshire Retirement System and that system has a piece that is unfunded. There is an unfunded liability with that particular retirement system. Essentially what this new accounting standard is saying is that while it's not a liability of the system it is a liability of the underlying employers because the contributions that have gone into the system don't yet match the expected benefits to be paid out to the retirees. This new standard requires the NPL or the net pension liability that you as a contributing employer, you are about a 5% member of the New Hampshire Retirement System. That translates to, as you see on page 33, and it's a couple of inches up from the bottom in the first column of numbers, you see an account description called the net pension liability. In that first column of numbers it's about \$185 million. That is a very large number and as a result I think it's important to talk about it tonight. A couple of the things that I would like to point out to the group here is while this balance sheet here as of June 30, 2015, it's the first time it's present on this page. It's not as if, in our opinion, and in the opinion of rating agencies that it's a new liability; rating agencies have always known that the pension system not only here in this state but throughout the country have an unfunded piece. They have always known that the unfunded piece of the liability is attributable to the underlying employer's, the City of Nashua. While it's the first time you see it here on this particular page, and of course as your liabilities goes up your equity or net position goes down and you can see that in the first column of numbers; the second number up from the bottom that's in parentheses, while it's the first time being present here, again it's been a known liability to the credit rating agency communities and to the financial institutions. I was speaking with Mr. Griffin earlier tonight and he reminded me that the credit

rating agencies have affirmed your rating quite recently, even after they have seen this long-term perspective balance sheet with now this net pension liability of almost \$190 million. I think that sort of supports the assertion that while it's new to the balance sheet and never having been on this particular page of your financial statements before, the credit rating agencies communities have always known that liability existed and very likely have factored it into past ratings as they are incorporated into current ratings as well. That really in the nutshell is all I wanted to speak about on the long-term perspective financial statements. I'll touch quickly on the general fund and if the committee has questions on the NPL then between Ed and myself we can answer them. At this I would like to turn your attention over to page 36 and this takes us from the long-term perspective financial statement to the accrual based financial basis over to page 36 which is a more traditional looking balance sheet for local governments in this country. Even with your MD & A and the long-term perspective financial statements, this really is the first page that most readers are going to turn to, the general fund balance sheet and they are going to focus on that first column of numbers, the unassigned fund balance as of June 30, 2015, with an account balance of about \$27.7 million. To put that into perspective, that account balance is virtually unchanged from the prior year. It's up about \$400,000 but as a percentage it's not much of fluctuation from the prior year. Another way to look at that number is what is that unassigned fund balance as a percentage of your operating expenditures and as disclosed in your MD & A. That \$27.7 million represents about 11% of your general fund operating expenditures for the year ending June 30, 2015. It's essentially unchanged from the prior year. The only other specific page I'd like to draw your attention to is page 40 and this is a budget and actual comparative statement. The next page people will very likely turn to are the budget and actual comparative statement. You'll see in the last column of numbers is the variance between your actual results of operation on a budgetary basis compared to the final budget. You can see in the last column of numbers that revenues came in greater than anticipated or greater than the budget by about \$3 million. Moving down the page the total expenditures and other uses, you can see that there were unspent appropriations or turn backs of appropriations of about \$1.7 million. Collectively the excess revenues of \$3 million and the unspent appropriations of \$1.7 million give you that number of just under \$4.8 million from budgetary results of operations. How does that translate into essentially your unassigned fund balance being unchanged? One of the things that you have to factor in on this particular page in the budget versus actual page is that one of the financing sources that the city used for its FY 2015 budget was that it used some of its fund balance; it used about \$5 million of its fund balance as an anticipated financing source. In essence you anticipated that your outflows of dollars were going to exceed your inflows of dollars by about \$5 million. When you factor out approximately \$5 million from this \$4.7 million and I recognize that I am using some round numbers but all of the detail is available in the disclosures to the financial statements but if you look at those positive budgetary results of about \$4.8 million having essentially softening those by the use of your fund balance of about \$5 million you are coming to within essentially a break-even point for the fiscal year. There is a wealth of other disclosures in this document on the cash position of the community, the receivables, the long-term debt and the payout of your long-term debt which I know in the past has been cited as a credit strength because of the rapid payout of your long-term debt. Very often credit rating agencies don't just look at the amount of long-term debt but how much is being paid out generally speaking in the next ten years; they look for a rapid payout of the bonds payable that exists in communities and Nashua has always showed up very strongly in that credit classification. That is a very quick walk through of our audit and just a couple of the highpoints in your financial statements. In summary, as I indicated our audit of your financial statements went very well and we did not need to propose any significant journal entries as a result of the test work that we did. The long-term perspective financial statements; the issues that you are facing are the same as every other government in the state and essentially throughout the country with implementing statement 68 and presenting and effectively recognizing this liability called the net pension liability. On the short-term perspective or the general fund, in summary I think it's a very stable balance sheet and I think that's supported by what the credit rating agencies have said. It being stable means it's consistent with the prior year in that 11%, that unassigned fund balance representing about 11% of expenditures is consistent with communities that are similarly rated to the City of Nashua. With that I will open it up to any questions that the committee may have.

Alderman Siegel

The unfunded liabilities for pension, that number is large and I assume that is not only the unfunded liability to make up the gap that we have had at the state level but also the general funding that we have to do to pay for the pension liabilities that the city has incurred, is that correct?

Mr. McIntire

I'm not sure I understand what you mean by the general fund liability.

Alderman Siegel

No, I'm sorry; I am trying to find the exact page that that's on. That line was a large number.

Mr. McIntire

On page 33, it was \$190 million.

Alderman Siegel

Right, it was the \$184,879,000. It says net pension liability. That's not just the overhang related to the shortfall of the pension is it?

Mr. McIntire

Let me try to describe it in a little bit more detail. The disclosure there is the net pension liability. As a contributing employer you are contributing to a cost sharing plan which means your contributions don't necessarily only...the liability is spread amongst the employers based on your level of contributions. After what you have contributed to the system each year since its inception essentially, the state system has a shortfall and as a 5% contributor it's a little bit more complicated than this but essentially 5% of that shortfall is attributable to the City of Nashua and that's what is presented here on your financial statements.

Alderman Siegel

Okay, I am familiar with the shortfall but I didn't realize that this is what we are paying off or is it another 18 years or so?

Mr. McIntire

I think maybe now I understand your question and I am sorry about that, sir. Some of the comments that I made on the net pension liability earlier, because it's large I just think part of what I wanted to accomplish tonight and maybe missed a point or two was to put it in perspective and that is that the plan and as a result the underlying employers; you are following a funding schedule and I believe the date is 2039 that under the current funding schedule, if actual results of operations hold true to actual projections, the system and as a result the underlying employer's will be fully funded by 2039.

Alderman Siegel

So it's 23 years and not 18. It wasn't a 25-year payout; it was a 30-year payout.

Mr. McIntire

Probably, yes. I thank you for that question because I think that it is important for readers and listeners to understand because it's such a significant account balance that there is a funding schedule of the city and all of the underlying employers who are following to help mitigate this liability.

Alderman Siegel

Thank you. I think we are all too painfully aware of the funding liability. It was just that it is a very large number and I wanted to understand if that was the overhang that we have to pay back because of the handling of the state pension funds in the past or if that was really a combination of that plus ongoing obligations over some period of time. You have answered that, it's the overhang over the next 23 years that we are obligated to pay.

Mayor Donchess

As a follow-up to the last questions from Alderman Siegel, on the current schedule the pension would go to a 100% by 2039, do you know what the assumption is with respect to the rate of return that will be achieved with the assets that are in the state pension fund in order to arrive at that 2039 date?

Mr. McIntire

I got really lucky. I happened to turn to page 82; I honestly didn't have it tagged. The current discount rate that's used is 7.75% and to the GASB credit, some of the required disclosures, on page 80 – 82, is here's essentially what the net pension liability is using the current discount rate that the Mayor just spoke about at 7.75%. Then adjacent to that disclosure is what the liability would be if that discount rate increased by a percent or decreased by a percent. I think that's probably a really good disclosure for financial statement readers to take a look at because there can be significant fluctuations and it is widely anticipated that this net pension liability will have significant swings based on market results of operations, more than in the past and the reason for that is the underlying requirements and the new standards on what are acceptable actuarial estimating techniques.

Mayor Donchess

What are the numbers for 1% less and 1% more than 7.75%?

Mr. McIntire

If we were looking at a liability in the range of \$184 million before on page 33, if the discount rate increased a percent then the liability drops to \$135 million and if it decreased by a percent then the liability increases to \$244 million.

Alderman Siegel

It's \$50 million a point.

Mr. McIntire

I did try to draw a distinction between the long-term perspective and the short-term perspective financial statements and it's for that very reason, Mr. Mayor and committee members that I recognize that talking about that net pension liability number is a daunting number. Hopefully we have done a reasonable job at helping to putting it into perspective talking about the funding schedule and the like. While it's necessary for us to bring

this up because of the significance of it, it is with purpose that I tried to talk about the long-term perspective financial statements and this which may be a little bit unfavorable to talk about it but then when you turn to the general fund and you see the stability; I did try to talk about those as two distinct issues because one may seem a little more unfavorable but as I indicated earlier the stability in that general fund balance sheet is certainly a strength.

Alderman Cookson

Do you have the ability to share with us who manages the state pension fund?

Mr. McIntire

I think it's all on-line at the NHRES.ORG website. There are some great disclosures on there. We go to that website all of the time to use their audited financial statements and the audit of the actuarial evaluation which essentially allocates the liability to you and all the other employer's. They have a whole page on their investment returns and things like that.

Alderman Siegel

I recognize my question might not be specific to Nashua but what extent has the pension obligation gone up? I know that it is reset every couple of years, an actuarial reset based on returns. What percentage are we going up or down in our contribution?

Mr. McIntire

That's a great question. Let me start with a little bit of background. As I indicated earlier, FY 2015 was the first year that you were required to implement this net pension liability but of course in that implementation the actuaries needed to determine the net pension liability at the beginning of the year so there could be the proper income statement impact there. With GASB 67 and 68 and some of the restrictions on the actuarial assumptions that can be used, it is widely anticipated that there will be significant swings in this liability. Again, I say those two things as quick reminders because the answer to your question may surprise listeners in that from June 30, 2014, to June 30, 2015; this net pension liability actually went down about \$4 million. I have my theories on that but I am not an actuary. My theory is for the period ending...the liability that you see present here on your June 30, 2015, financial statements is actually measured as of June 30, 2014. It's on your balance sheet for June 30, 2015, but it really relates to the year prior and the timing of all of this getting done and to be able to produce timely financial statements is why that's permitted to be that way. The market returns through June 30, 2014, as I recall, were quite favorable. For June 30, 2015, I am not sure if your liability that will be present on this page on your June 30, 2016, financial statements. We've looked at the new reports that have come out, the June 30, 2015, reports which will report your June 30, 2016, liability and if your liability decreased in this report then the liability is going up for your next report.

Alderman Siegel

We are under the constraint of a spending cap so unfortunately that's an external factor that we have to deal with so anything above 1.5% in an increase is a big problem for us. It sounds like we have a big problem.

Mr. McIntire

Well, just remember that, and I tried to draw the distinction between the long-term perspective financial statements and the short-term being your general fund, so there is a little bit of a distinction there but certainly there have been a lot of legislative changes in the system in recent years that have put pressures on the local communities, there's no doubt about that.

Alderman Siegel

I understand in the long-term you can look at the balance sheet and say well Nashua is really good and we have an 11% reserve and that's great but year-to-year we have to do this path so year-to-year we have to make a budget to account for this. As those numbers fluctuate beyond our control, something has to give. That's a big concern and that's what makes it so much fun to sit here.

Mr. McIntire

I understand.

Mayor Donchess

If our portion of the state pension fund is 5% and if we are at \$195 million net liability that I think means that the net liability of the whole system is 20 times that or \$3.7 billion approximately, is that roughly correct?

Mr. McIntire

I'm not able to process the math that quickly. The math sounds like it makes sense to me and I haven't done the calculation. I think your underlying premise of what you are thinking is proper.

Mayor Donchess

Thank you very much for coming in and informing us about the audit.

MOTION CARRIED

From: Dan Kookan, Purchasing Manager
Re: Contract Award for Field Day and Fireworks (Value: \$14,500)

MOTION BY ALDERMAN SIEGEL TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO ATLAS PYRO-VISION ENTERTAINMENT GROUP, INC. IN THE AMOUNT OF \$14,500. FUNDS ARE AVAILABLE IN DEPARTMENT 177, PARKS AND RECREATION; GENERAL FUND; 55, OTHER SERVICES

ON THE QUESTION

Alderman Clemons

Just for a quick clarification, in reading this it looks like this is a multi-year contract, is that the case?

Mr. Kookan

We have an option for a second and third year but right now we are only at the first year and we may not take the option for the second or third year. We can put it back out to bid next year.

Alderman Clemons

Okay so we are not committed to all three? It looked like they were giving us the discount if we went for all three years but that's not the case.

Alderman Caron

I noticed that this isn't the low bidder. Is Pyro-Vision someone that we have used before in the last ten years?

Mr. Kooken

It actually is the low bidder.

MOTION CARRIED

From: Dan Kooken, Purchasing Manager

Re: School Zone Speed Radar Feedback Signs for Ordinance 0-15-074 (Value: \$19,600)

MOTION BY ALDERMAN SIEGEL TO ACCEPT, PLACE ON FILE AND APPROVE THE PURCHASE FROM MARLIN CONTROLS, INC. IN THE AMOUNT OF \$19,600. SOURCE OF FUNDING IS DEPARTMENT 161, STREETS; GENERAL FUND; 61, SUPPLIES & MATERIALS
MOTION CARRIED

From: Dan Kooken, Purchasing Manager

Re: 2016 Paving Program (Value: \$2,677,902)

MOTION BY ALDERMAN SIEGEL TO ACCEPT, PLACE ON FILE AND, CONTINGENT UPON BOARD OF ALDERMEN APPROVAL, AWARD THE CONTRACT TO BROX INDUSTRIES, INC. IN THE AMOUNT OF \$2,677,902. FUNDS ARE AVAILABLE IN DEPARTMENT 161, STREET DEPARTMENT; GENERAL PAVING AND PROPERTY SERVICES TRUST FUNDS; AND, DEPARTMENT 169, WASTEWATER, SEWER STRUCTURES & SEWER REHAB

ON THE QUESTION

Alderman Clemons

How are the streets determined on this list?

Alderman Siegel

As a Board of Public Works liaison I will tell you that there is a program that is used that looks at a matrix of traffic count and street condition based on observation. I will also say that there almost completely finished with migrating to a brand new software system that we purchased last term and so it will be even more flexible and formalized. My hope would be given that the format of the data is compatible with our GIS system that we might even be able to incorporate it into that but I'm not sure about that. There is a logical system and it's very specifically designed to avoid any kind of favoritism in any Ward than another.

Alderman Clemons

I've heard that there's a new piece of technology but I didn't know if it were going to show different results than what we are seeing here or if it's just an easier way to calculate what we are already doing.

Alderman Siegel

It's not clear whether it will show different results but last term there was a concern by the Board of Aldermen about bonding a significant amount of money for paving citywide, specifically because we wanted to implement the system and have it in place and get better detailed information. The company that we purchased this software from is also doing a street-by-street survey. To the extent that we have had surveys done in the past

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and the data has been kept, it's on an old DOS computer and the existing system is almost frightening but the good news is that we've migrated prior to its expiration. I think they have been doing a fairly decent job considering the technology that was available. This will be the last time that we have the streets determined on this. I can only say for my own Ward anecdotally that the right streets were chosen. You can look at the list that is incorporated here and you can correlate that with your own Ward and see if it makes sense.

Mayor Donchess

Once the new system is on-line we will be able to look at all 1,300 streets all at the same time and we will be able to have a ranked order of street condition comprehensively all at once. It should result in a more objective or a completely objective analysis of what streets are in the worst shape.

MOTION CARRIED

From: Dan Kookan, Purchasing Manager
Re: Citywide Infiltration Inflow Analysis (Value: \$168,893)

MOTION BY ALDERMAN SIEGEL TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO WRIGHT-PIERCE IN THE AMOUNT OF \$168,893. SOURCE OF FUNDING IS DEPARTMENT 169, WASTEWATER; INFLOW AND INFILTRATION

MOTION CARRIED

From: Dan Kookan, Purchasing Manager
Re: Biosolids Disposal Contract (Value: \$1,215,000)

MOTION BY ALDERMAN SIEGEL TO ACCEPT, PLACE ON FILE AND, CONTINGENT UPON BOARD OF ALDERMEN APPROVAL, AWARD THE MULTI-YEAR CONTRACT TO CASELLA ORGANICS FOR A THREE-YEAR TOTAL AMOUNT OF \$1,215,000. FUNDS ARE AVAILABLE IN DEPARTMENT 169, WASTEWATER; 54, PROPERTY SERVICES

ON THE QUESTION

Alderman Siegel

I just wanted to point out some good news here. While this is a large number, our per ton disposal cost for the bio solids has decreased significantly. I believe it went from something like \$58 per wet ton to \$40 and that is a reflection of the desire for this type of bio solids I guess used in fuels but there is a market for it so that's helping us. In addition, the plants dewatering operation is far more efficient and so not only are we paying less to get rid of this waste but we are dewatering more efficiently so we are actually carting less out. That was all good news that we learned at Monday's Board of Public Works meeting and I thought that was worth sharing.

MOTION CARRIED

From: Dan Kookan, Purchasing Manager
Re: SCADA Upgrades Design Services (Value: \$188,500)

MOTION BY ALDERMAN SIEGEL TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO WOODARD & CURRAN IN THE AMOUNT OF \$188,500. SOURCE OF FUNDING IS DEPARTMENT 169, WASTEWATER; WERF; 81, CAPITAL OUTLAY/IMPROVEMENTS

MOTION CARRIED

From: Dan Kooken, Purchasing Manager
Re: Pump Station Upgrades Design Services (Amendment 1) (Value: \$15,000)

**MOTION BY ALDERMAN SIEGEL TO ACCEPT, PLACE ON FILE AND AUTHORIZE AMENDMENT #1 TO THE CONTRACT WITH WOODARD & CURRAN IN THE AMOUNT OF \$15,000. FUNDS ARE AVAILABLE IN DEPARTMENT 169, WASTEWATER; PUMP STATION UPGRADES
MOTION CARRIED**

From: Dan Kooken, Purchasing Manager
Re: Steam Boiler Water Treatment Services (Value: \$2,492)

**MOTION BY ALDERMAN SIEGEL TO ACCEPT, PLACE ON FILE AND APPROVE CHANGE ORDER #1 TO THE CONTRACT WITH CLARITY WATER TECHNOLOGIES IN THE AMOUNT OF \$2,492. SOURCE OF FUNDING IS DEPARTMENT 169, WASTEWATER; 54, PROPERTY SERVICES
MOTION CARRIED**

From: Dan Kooken, Purchasing Manager
Re: Installation of Flow Meter (Value: \$15,860)

**MOTION BY ALDERMAN SIEGEL TO ACCEPT, PLACE ON FILE AND AWARD THE CONTRACT TO METHUEN CONSTRUCTION IN THE AMOUNT OF \$15,860. FUNDS ARE AVAILABLE IN DEPARTMENT 169, WASTEWATER; WERF; 81, BUILDINGS & IMPROVEMENTS
MOTION CARRIED**

From: Dan Kooken, Purchasing Manager
Re: Roof Replacement (Value: \$25,723)

**MOTION BY ALDERMAN SIEGEL TO ACCEPT, PLACE ON FILE AND APPROVE CHANGE ORDER #2 TO THE CONTRACT WITH ROCKWELL ROOFING IN THE AMOUNT OF \$25,723. SOURCE OF FUNDING IS DEPARTMENT 169, WASTEWATER; WERF; 81, CAPITAL OUTLAY/IMPROVEMENTS
MOTION CARRIED**

UNFINISHED BUSINESS – None

NEW BUSINESS – None

DISCUSSION

Alderman Caron

I know that there are a lot of things for the wastewater treatment plant but I'm really glad that we are moving along and making sure that plant is working and up-to-date and ongoing because it is important to the city that we keep that viable and that we don't have any structural or other fails. I am pleased with that. I know it's a lot of money but I think people have to understand that our wastewater treatment plant is very important to the city.

Mayor Donchess

I think Mr. Simmons has been doing a very good job bringing it up to standard.

Alderman Siegel

I would like to echo what Alderman Caron is saying. I want to point out that because of some of the improvements we are going to end up saving some money; recouping some. There is a lot of money going out but it's saving because the plant is operating as it should be. Our anaerobic digester is finally functioning like it is the way we paid for it so it's very encouraging.

UNFINISHED BUSINESS – None

NEW BUSINESS – None

RECORD OF EXPENDITURES

MOTION BY ALDERMAN SIEGEL THAT THE FINANCE COMMITTEE HAS COMPLIED WITH THE CITY CHARTER AND ORDINANCES PERTAINING TO THE RECORD OF EXPENDITURES FOR THE PERIOD TO FEBRUARY 12, 2016 TO FEBRUARY 25, 2016
MOTION CARRIED

PUBLIC COMMENT

POSSIBLE NON-PUBLIC SESSION

ADJOURNMENT

MOTION BY ALDERMAN WILSHIRE TO ADJOURN
MOTION CARRIED

The Finance Committee meeting was adjourned at 7:55 p.m.

Alderman Ken Siegel
Committee Clerk